

**MID-YEAR BUDGET RETREAT
LANCASTER COUNTY BOARD OF COMMISSIONERS
PIONEERS PARK - PRAIRIE CENTER BUILDING
MALINOVSKIS AUDITORIUM
3201 SOUTH CODDINGTON AVENUE
THURSDAY, JANUARY 19, 2006
8:30 A.M.**

Commissioners Present: Deb Schorr, Chair
Bob Workman, Vice Chair
Larry Hudkins
Bernie Heier
Ray Stevens

Others Present: Kerry Eagan, Chief Administrative Officer
Gwen Thorpe, Deputy Chief Administrative Officer
Dave Kroeker, Budget and Fiscal Officer
Trish Owen, Chief Deputy County Clerk
Ann Taylor, County Clerk's Office

The Chair opened the meeting at 8:36 a.m.

AGENDA ITEM

- 1 LEGISLATIVE UPDATE** - Gordon Kissel, Legislative Consultant; Amy Prenda, Director of Legal Research and Analysis for Kissel/E&S Associates

Gordon Kissel, Legislative Consultant, gave a legislative update (Exhibit A). He also reported on LB 1180 (change provisions relating to juvenile arrest and transfer to juvenile court) and LB1181 (change juvenile detention provisions).

Kerry Eagan, Chief Administrative Officer, expressed concern regarding LB 1011 (provide for no presumption in favor of county appraisals for property tax protest purposes).

MOTION: Stevens moved and Workman seconded to authorize Scott Gaines, Chief Administrative Deputy Assessor/Register of Deeds, to testify in opposition to LB 1011 on behalf of Lancaster County. Workman, Schorr and Stevens voted aye. Heier and Hudkins were absent from voting. Motion carried.

Dave Kroeker, Budget and Fiscal Officer, said Sarpy County has urged support of LB 429 (increase a court fee and extend the Law Enforcement Improvement Fund).

Terry Wagner, Lancaster County Sheriff, appeared and said he believes the Nebraska Association of County Officials (NACO) will support the bill.

Heier arrived at 8:52 a.m.

2 COUNTY AMBULANCE SERVICE - Doug Ahlberg, Emergency Management Director

Doug Ahlberg, Emergency Management Director, and Dave Kroeker, Budget and Fiscal Officer, reported on meetings held with representatives of the County Rural Fire Boards and Lincoln Fire & Rescue (LFR) to address funding concerns associated with LFR responding to calls in the County and the surrounding 911 service areas (Exhibit B). Options to reduce LFR's operating costs for providing rural ambulance service are outlined in a letter Ahlberg sent to the County Rural Fire Boards, dated December 21, 2005 (see Exhibit B):

1. While rural departments will be dispatched on all medical calls, LFR will only be dispatched into the county on Advanced Life Support (ALS) calls i.e., "deltas" and "echoes". Rural departments will be dispatched on Basic Life Support (BLS) calls. Upon arrival at the scene, rural departments will determine whether LFR should be dispatched and make the necessary call (LFR will continue to respond to all rescue alarms within the county).
2. Uniform billing rates will be established for all Emergency Medical Services (EMS) providers in Lancaster County, including LFR (Collection will be at the discretion of the billing agency). The rates will address both BLS and ALS responses, as well as a standard mileage rate for each call for service.

Ahlberg said the Rural Fire Chiefs and Rural Fire Boards have been asked to submit a letter to the 911/Emergency Communications Center indicating that they agree with Option 1. He said an agreement has not been reached on Option 2 and Medicaid and Medicare's position on the rates were requested. The group will continue to meet and discuss relevant issues such as reimbursement percentages, intercept calls/actual costs and evaluation of the above recommendations, with input from the three billing agencies that are represented in Lancaster County.

Workman said the Waverly Fire Chief has asked the Waverly City Council to accept the proposed rates and has proposed a 40/60 percent split (40% for LFR and 60% for the Fire District).

Ahlberg said he hopes the other Rural Fire Districts will follow Waverly's lead.

Kroeker also gave a brief report on the City Ambulance Task Force, noting the City has not asked Ahlberg to serve on the task force.

MOTION: Workman moved and Heier seconded to have the County Board strongly support: 1) Agreements between each of the County Rural Fire Districts and Lincoln Fire & Rescue (LFR); 2) Doug Ahlberg's letter of December 21, 2005 that outlines Option 1 which allows a response by LFR only on Advanced Life Support (ALS) calls, i.e., "deltas" and "echoes"; and Option 2 which states uniform billing rates will be established, similar to those proposed by the Waverly Fire Chief; and 3) That the transport agency will be the billing agency and that collections will remain at the discretion of the billing agency.

The maker of the motion said he would like to include the 40/60 split in his motion.

The seconder said he would prefer that it be a suggestion.

The maker of the motion agreed.

The seconder asked that a vote on the motion be held until Commissioner Hudkins is present.

The maker of the motion and the seconder withdrew their motion.

MOTION: Workman moved and Stevens seconded to direct Kerry Eagan, Chief Administrative Officer, to draft a letter in support of Doug Ahlberg's letter of December 21, 2005 and include a statement that the Board recognizes there is a difference between billings and collections. Workman, Heier, Schorr and Stevens voted aye. Hudkins was absent from voting. Motion carried.

3 MID-YEAR BUDGET REVIEW - Dave Kroeker, Budget and Fiscal Officer (NOTE: See Exhibit C for budget related materials)

- A. Mid-Year Status of Expenditure Budget
- B. Mid-Year Status of Revenue Budget
- C. Other Issues

These items were not discussed in the morning session.

- D. Five-Year Forecast

Kroeker gave an overview of the following:

- ▶ Lancaster County, No Increase in Staffing Over FY06 Budget, Five Year Budget Forecast - Property Tax Funds Only (For Discussion Purposes Only) (Pages 4-1 and 4-2)

There was Board consensus to schedule discussion of funding of non-mandated services.

- ▶ Funding Issues Next Five Years (Page 4-3)

Board consensus was to schedule discussion with Dennis Keefe, Public Defender, regarding his request to add an entry level attorney to the staff as of June 30, 2006 to assume responsibility for the Child Support/Paternity cases. The County currently contracts for representation in these cases and the contract expires July 1, 2006. Keefe also recommended elimination of a part-time attorney position and the indigence screening function and application of those budget amounts to another entry level attorney position. **NOTE:** The indigence screening function is budgeted in Community Corrections.

- ▶ Lancaster County Group Insurance, County Share of Cost (Page 4-4)
- ▶ Lancaster County, General Fund History of Budgets (Page 4-5)
- ▶ History of Tax Requirements (Page 4-6)
- ▶ Lancaster County, General Fund Budgeted Payroll Costs (Page 4-7)

Stevens suggested that consideration be given to increasing the number of steps within each of the classifications and reducing the percentage of increase for each step.

- ▶ Change in Consumer Price Index (CPI-U), 1989 to 2005 (Page 4-8)
- ▶ Lancaster County, Change in Taxable Assessed Valuation, Last Ten Years (Page 4-9)
- ▶ Lancaster County, Change in Unused Budget Carryforward Authority, Last Six Years (Page 4-10)

Hudkins arrived at 10:38 a.m.

E. Letters from Agencies

See Exhibit C.

F. Department Budget Hearing Schedule for Fiscal Year 2006-07

Kroeker gave an overview of the following:

- ▶ Lancaster County, Revised Budget Calendar for Fiscal Year 2006
- ▶ Department Budget Hearing Schedule
- ▶ Fiscal Year 2006-07, Tentative Budget Calendar

Kroeker will work with Trish Owen, Chief Deputy County Clerk, to coordinate the budget hearing schedule with Board of Equalization hearings for property valuation protests.

There was Board consensus to: 1) Schedule the department budget hearings in twenty minute increments, with the exception of the large departments; 2) Note that the County will be picking up debt service on expansion of the Lincoln-Lancaster County Health Department Building and include a paragraph relating to the grant policy in the budget letter to departments; 3) Schedule discussion of the overall budget situation prior to the department budget hearings; and 4) Have Commissioners Workman and Stevens work with Gwen Thorpe, Deputy Chief Administrative Officer, on the Microcomputer Fund Policy and schedule discussion of the policy on the February 16, 2006 Management Team Meeting agenda.

DISCUSSION ITEMS

- C. Transition Planning for Budget & Fiscal Office (See Agency Letter on Page 611)

Kroeker indicated plans to retire in January, 2007 and said he would be willing to continue to work on a part-time basis to assist the new Budget and Fiscal Officer. He estimated the cost at \$13,0000 (assuming 75% of current salary at 15 hours a week for 26 weeks). Kroeker said he would not be interested in assuming the position of Performance Auditor.

Stevens recommended that the County contract with Kroeker through the end of the budget cycle.

Brief discussion also took place regarding preparation of financial statements for the auditors.

4 LUNCH

The Board recessed the meeting at 11:22 a.m. for lunch.

Bruce Medcalf
Lancaster County Clerk